

Sonoma Valley County Sanitation District

NOTICE OF PUBLIC HEARING REGARDING PROPOSED SEWER SERVICE CHARGE INCREASE

Date, Time, and Place of Public Hearing

On May 22, 2012, at 10:00 a.m. or as soon thereafter as the matter may be heard, in the Board Meeting Room, 575 Administration Drive, Room 102A, Santa Rosa, California, the Board of Directors (Board) of the Sonoma Valley County Sanitation District (District) will conduct a public hearing to consider increasing the annual sewer service charge to be collected on account of sewage collection and treatment services provided by the sewer system of the District to property within the District.

Property Owner Obligation

The charge will be imposed on each parcel upon which is located one or more structures which are connected to the system and the charge will be collected on the general property tax bill administered by Sonoma County. Payment of the charge will be the responsibility of the owner of the parcel.

Amount of Proposed Charge Increase For Non-Residential Users And Residential Users With No Public Water Connection/New Proposed Method For Residential Users With A Public Water Connection

Effective July 1, 2012 the District proposes to increase the charge to \$772 per year per "equivalent single-family dwelling" (ESD) for non-residential users and residential users with no public water connection, an increase of \$40, or 5.5% versus current year. This charge has been calculated by dividing the annual costs of providing wastewater treatment and collection service by the estimated number of ESDs. For residential users with a public water connection, the fee will be partly based on water use, as described below. The draft proposed budget for fiscal year 2012-13 describes the total annual expenses in detail and is available for review at the Sonoma Valley County Sanitation District, c/o the Sonoma County Water Agency, 404 Aviation Boulevard, Santa Rosa, California 95403, and the Sonoma County Regional Libraries in Santa Rosa (Main & Northwest), Windsor, Healdsburg, Cloverdale, Guerneville, Sebastopol, Petaluma, Rohnert Park, Rincon Valley, Sonoma, and Forestville (El Molino High School).

What the Charge is for and How the Funds Collected Will Be Used

The charge is imposed for two purposes: (a) to fund the ongoing operation and maintenance costs of the system and, (b) to pay the capital replacement program costs of the system. The purpose of the capital replacement program is to provide for the long-term replacement of system facilities as they wear out.

Current Billing Calculation Method

District sewage bills are currently calculated based on usage of a standard "equivalent single-family dwelling" (ESD). A standard single-family home constitutes one ESD which is defined as what an average single family home would use in a given year. All single family homes, which constitute most of the users in the District, are charged the same flat charge based on 1 ESD, regardless of the amount of water used in the home and treated by the District. Thus, this method does not reward households who use less water and create less sewage for treatment. Parcels which have other uses (for example, apartments and commercial buildings) are assigned a number of ESDs using standard equivalency factors which estimate the probable quantity and quality of sewage effluent normally generated by such uses in comparison to a single-family home.

Proposed Residential Rate Structure For Residential Users With a Public Water Connection

Many surrounding communities (including the Cities of Cotati, Healdsburg, Petaluma, Rohnert Park, Santa Rosa, Sebastopol, and the Town of Windsor) base their sewer rates partially on an estimate of the amount of sewage generated by each household, based on water usage during winter months. A 2011 District study found that such "volume-based" rate structures better account for household sewer discharge, promote water conservation, and provide financial reliability for District services. The study also found that volume-based rates would provide District ratepayers with the opportunity to control a portion of their sewage bills. The proposed volume-based rate structure would only apply to residential customers, not commercial accounts. The proposed structure would generate the same total revenue for the District as the current ESD average charge for all customers.

The proposed volume-based rate calculation is based on two factors:

- **70 Percent Fixed-Costs:** The fixed charge recovers costs that the sewage treatment and collection system incurs regardless of increased or decreased sewage flow into the system. For parcels having more than one ESD assigned, the fixed cost is calculated by multiplying the number of ESDs assigned to the parcel multiplied by the annual fixed charge. All sewer customers must pay at least the fixed charge.
- **30 Percent Volume-Based:** This volume-based charge recovers costs to the sewage treatment and collection system that are affected by use and vary with the amount of sewage conveyed and treated. The volume charge is calculated by the average monthly winter water use per household based on specified winter months, multiplied by 12 months to derive the annual use. Average winter water use provides the best available estimate of indoor water use and its impact to the District's treatment facilities because outdoor irrigation is minimal during the winter months.

For 2012, each residential user with public water and sewer connections and winter water use will be based on water consumption of that user in January and February of this year. This information is available on your water bills. See examples below on how to calculate your estimated charge.

The highest residential usage charge will be 20,000 gallons per month per ESD. For properties with more than one ESD assigned, the usage cap is calculated by multiplying the number of ESDs assigned to the parcel by 20,000 gallons. For example, the usage cap for a property assigned 2 ESDs is 40,000 gallons (2.0 ESDs X 20,000 gallons).

If a property has no water usage in January and February and does have a water account, then the variable charge will be calculated based on that user's average water use for twelve months. If you fall into this category, to determine your average use figure, add your monthly water use from March, 2011 until February, 2012 together and divide by 12.

If a property has no water account, i.e. is on a well, and is connected to the sewer system their charges will be based on the number of ESDs times \$772, the average rate

Residential Sewer Charge – Proposed Method

Based on the proposed volume-based rate structure, the 2012 sewer charges for residential customers with a public water connection are:

Sewer Charge Component	Charge
Fixed Charge	\$540 per ESD
Volume Charge	\$.00437 per gallon per month

The minimum annual sewer charge for customers connected to the system is \$540 per ESD.

Estimating Your Residential Sewer Charge

A typical single-family residential customer using an average amount per month will see their bill increase by 5.5% in 2012. However each customer's consumption is unique and actual impacts will vary. The formula below will help you estimate your annual sewer bill based on the proposed rate structure. To determine your average usage, you will need your water bill for the months of January and February 2012. Find the amount of water used for each month in the bill. Add the months of January and February together and divide by two to get the average. Insert this number in the equation below. In addition, to determine the number of ESDs assigned to your property, look on the address label of this notice. The number of ESDs is printed on the label after the APN number. For single family homes, the ESD is one. Other types of residential uses, such as condominiums, triplexes, or homes with additional separate living structures, have different ESD figures.

Fixed Charge Calculation	Usage Charge	= Total Annual Sewer Bill
(Fixed Charge x No. of ESDs)	+ (Your Average Use in Jan & Feb 2012 X (Usage Rate \$ per gallons per month) X (12 months))	

Sample for a Typical Residential User of 4,420 Gallons per Month

Fixed Cost	Usage Charge	= Total Annual Sewer Bill
(\$540 x 1 ESD) = \$540	+ (4,420 gallons per month x \$.00437 x 12)	= \$772

Sample for a User of 2,000 Gallons per Month

Fixed Cost	Usage Charge	Total Annual Sewer Bill
$(\$540 \times 1 \text{ ESD}) = \540	$(2,000 \text{ gallons per month} \times \$0.00437 \times 12)$	\$645

Further Information Available Prior to the Hearing

At the hearing, the Board will consider adoption of an ordinance which will establish the increased charge. Copy of the ordinance is on file and available for review at the Sonoma County Water Agency, 404 Aviation Boulevard, Santa Rosa, CA 95403. In addition, the following persons may be contacted at the Agency for further information and/or obtaining copies of the draft proposed budget for fiscal year 2012-13:

Manuel Olvera, Engineering Technician III 707 547-1950
Candi Bryon, Department Analyst 707 521-6212

Property Owner Protest Procedure

This notice has been mailed to you because records of the Sonoma County Assessor list you as an owner of one or more parcels within the District which will be subject to the charge while connected to the system. In the event you have sold property you may have owned within the District, please send this notice to the new owner.

Either prior to or at the public hearing, property owners may submit written protests respecting the charge. At the public hearing, the Board will consider all written protests which have been received by the prescribed deadline. In order to be considered, a written protest must be made on the attached form. Only one protest will be counted per parcel. Only protests signed by the current owner(s) will be allowed and must be received no later than the following deadlines:

- If submitted by mail, they must be received (NOT postmarked) no later than 5:00 p.m. on Monday, May 21, 2012, at the mailing address on the form.
- If hand delivered, they must be delivered no later than the close of the public hearing on May 22, 2012, to:
Clerk of the Board
Board Meeting Room, as set forth in the opening paragraph

Date of this Notice: April 5, 2012

Working Together to Reduce Sanitation Flows

We all recognize that demands on the sanitation system are directly related to water use and that by reducing demand we can reduce the cost of maintaining the system. Therefore, a variety of options will be available to help customers reduce their water use. These programs are outlined below.

Rebates

A rebate program is available to help customers offset the cost of replacing older, less efficient fixtures. Rebates are available for a range of fixtures from high-efficiency toilets and clothes washers to commercial cooling towers. For a complete listing of available rebates and to get more information, visit www.sonomacountywater.org/rebates.

Sonoma County Energy Independence Program

The Sonoma County Energy Independence Program allows property owners to finance certain water conservation, energy efficiency and renewable energy improvements through the property tax system. This program allows for installation of high efficiency toilets, smart irrigation controllers, re-circulating hot water pumps and many other improvements. Visit www.sonomacountyenergy.org for more information or call (707) 565-6470.

NOTE: IN ORDER TO BE CONSIDERED, ANY PROTEST MUST BE ON THIS FORM

WRITTEN PROTEST

I am the parcel owner of the property located at the address on the back of this form. I am submitting this form to protest the proposed sewer rate increase.

Additional Comments: _____

Use opposite side or attach additional sheets if needed.

Signature of Property Owner Required

Print Name

Fold Here First
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Place
Postage
Here

Sonoma Valley County Sanitation District
c/o Sonoma County Water Agency
404 Aviation Blvd.
Santa Rosa, CA 95403

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Fold Here Second